

E-017/M-90-1019 ORDER ALLOWING PERHAM AG PROCESSING AND RESEARCH  
CENTER TO BE PLACED ON A DIFFERENT TARIFF

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner
Patrice M. Vick	Commissioner

In the Matter of Otter Tail Power's Request for Approval to Place Perham Ag Processing and Research Center on an Interruptible Tariff Other than the Proposed Tariff Entitled Competitive Rate Schedule-Large General Service

ISSUE DATE: February 25, 1991

DOCKET NO. E-017/M-90-1019

ORDER ALLOWING PERHAM AG PROCESSING AND RESEARCH CENTER TO BE PLACED ON A DIFFERENT TARIFF

**PROCEDURAL HISTORY**

On October 22, 1990, the Commission issued its ORDER REQUIRING NEW TARIFF AND CONTRACT FILINGS. In the Matter of Otter Tail Power Company's Request for Approval of Two New Contracts on its Bulk Interruptible Service Rate, Docket No. E-017/M-89-436; In the Matter of Otter Tail Power Company's Request for Approval of a Modification of its Bulk Interruptible Service Tariff, Docket No. E-017/M-89-529; In the Matter of Otter Tail Power Company's Request for Approval of Renewal of an Amended Bulk Interruptible Service Contract, Docket No. E-017/M-89-1130, October 22, 1990. In that Order the Commission required Otter Tail Power Company (Otter Tail or the Company) to file a new bulk interruptible service tariff which conformed to the provisions of Minn. Stat. § 216B.162. This statute, which had only recently been enacted, allowed electric utilities to offer competitive rates under certain conditions to customers subject to effective competition. The October 22 Order also required the Company to bring all existing bulk interruptible service contracts into conformity with the new tariff.

On November 26, 1990, the Company submitted a compliance filing in response to the Commission's October 22 Order. In the Company's filing it proposed a new Competitive Rate Schedule-Large General Service to replace its bulk interruptible service tariff. The Company also submitted two contracts for Commission approval, one a renewal with Mid-America Dairymen, Inc. and one a new contract with Quadrant Company. Perham Ag Processing and Research Center (Perham), the other entity which had been under the former bulk interruptible service tariff, did not sign an amended contract under the new competitive rate schedule.

On December 24, 1990, the Commission issued its ORDER CLOSING DOCKETS in the aforementioned three dockets. In this Order the Commission stated that thorough consideration of the Company's proposed new tariff would require separate review under a new docket. The Commission also stated that each of the three

contracts under consideration would also require a separate docket number. For these reasons the Commission closed the old dockets and assigned a new docket number for consideration of the proposed new tariff and for each of the three contracts. The Perham file was assigned Docket No. E-017/M-90-1019, the docket number herein.

The Commission sent a Notice of Commission Meeting and Request for Comments and Reply Comments regarding the new dockets to interested parties on December 17, 1990. The Department of Public Service (the Department) and the Residential Utilities Division of the Office of Attorney General (RUD-OAG) submitted responsive comments on January 17, 1991. The Department filed further reply comments on January 25, 1991. Otter Tail submitted reply comments on January 28, 1991.

The Commission met to consider the matter on February 13, 1991.

### **FINDINGS AND CONCLUSIONS**

In its November 26, 1990 compliance filing, Otter Tail stated that Perham did not wish to amend its old bulk interruptible service contract to bring it into conformity with the new competitive rate statute and the Company's new competitive rate schedule. Instead, Perham wished to be transferred to the Company's Controlled Service-Interruptible tariff.

The Commission will approve the transfer of Perham to the Controlled Service-Interruptible tariff. Apparently, Perham feels that this tariff will suit its situation more closely. Neither Otter Tail nor any other party to this proceeding has any objection to the transfer. Allowing the parties to terminate the old bulk interruptible service contract and choose a new, mutually agreeable form of contract is in the public interest.

### **ORDER**

1. The transfer of Perham Ag Processing & Research Center from the former Bulk Interruptible Service tariff to a Controlled Service-Interruptible Load tariff is approved.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)